

November 22, 2011

## **EX PARTE**

Ms. Marlene Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street S.W. Washington, D.C. 20554

Re: WC Docket No. 11-42, Lifeline and Link Up Reform and Modernization; CC Docket No. 96-45, Federal-State Joint Board on Universal Service; WC Docket No. 03-109, Lifeline and Link Up

Dear Ms. Dortch:

On November 22, 2011, Dale Schmick, Chairman of the Board of COMPTEL and Chief Strategy Officer of YourTel America, Inc., and the undersigned met with Angela Kronenberg, Commissioner Clyburn's wireline legal advisor regarding the above-captioned Lifeline/Link Up reform proceedings. We relayed the position of COMPTEL and its members that preserving the availability of competitive choice in Lifeline providers will promote the Commission's goal of advancing the availability of voice service for low income consumers.

COMPTEL highlighted two issues of particular concern to its members, including the importance of the Commission maintaining Link Up reimbursement for service activation fees charged by both wireline and wireless carriers. COMPTEL's comments were consistent with the written submissions it made in these dockets on April 21, May 10, August 26, 2011. All carriers incur administrative costs to open new customer accounts and non-recurring service activation charges are standard in both the wireline<sup>1</sup> and the wireless<sup>2</sup> industries. If the Commission

See e.g., FCC Industry Analysis and Technology Division, Wireline Competition Bureau, Reference Book of Rates, Prices, Indices, and Household Expenditures for Telephone Service (2008) at page I-2, and Table 1.1, 1.2 and 1.3 (showing nationwide average non-recurring charge for residential lines and the additional charge assessed if new installation is required).

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were to eliminate or reduce Link Up reimbursements for service activation fees, low income consumers would be forced to bear 100 percent of those non-reimbursed charges and may well be priced out of the market. Prior to taking such action, the Commission must develop a factual record that would show that unreimbursed non-recurring charges would not continue to serve as a barrier to subscribership for low income consumers.

COMPTEL also addressed the issue of certification and verification of customer eligibility for the Lifeline program. Pending the availability of a national database to verify customer eligibility, COMPTEL opposes the elimination of the self-certification option. Requiring customers to present extensive financial and/or benefit program documentation to ETCs to establish their eligibility for Lifeline assistance raises a number of privacy issues as would any requirement that ETCs maintain copies of such documents for their files.

If you have any questions or need additional information, kindly contact the undersigned.

Respectfully submitted,

/s/

Mary C. Albert

cc: Angela Kronenberg

For example, AT&T Mobility's one time service activation fee is \$36 per line, see <a href="http://www.wireless.att.com/cell-phone-service/cell-phone-plan-details/?q\_sku-sku3830290&q\_planCategory=cat1370011">http://www.wireless.att.com/cell-phone-service/cell-phone-plan-details/?q\_sku-sku3830290&q\_planCategory=cat1370011</a>; Verizon Wireless's service activation charge is \$25 per line for prepaid wireless, <a href="http://www.verizonwireless.com/b2c/splash/prepay.jsp;and">http://www.verizonwireless.com/b2c/splash/prepay.jsp;and</a> \$35 per line for month to month and contract plans see <a href="http://www.verizonwireless.com/b2c/store/controller?item=familyShare&action=viewFSPlanList&typeId=2&catId=323&sel=fam; T-Mobile charges a \$35 per line service activation fee, <a href="http://www.t-mobile.com/shop/plans/cell-phone-plans-detail.aspx?tp=tbl&rateplan=classicUltd-talk-Ultd-text-Ultd-data-5GB">http://www.t-mobile.com/shop/plans/cell-phone-plans-detail.aspx?tp=tbl&rateplan=classicUltd-talk-Ultd-text-Ultd-data-5GB</a>.